

22 November 1985
OLL 85-3631

NOTE TO A/DCI
FROM: Chuck Briggs
SUBJECT: Taxing the Retirement Annuity

- ° All of Washington learned from Mike Causey's column of a provision in the Tax Bill for prorating the tax exempt contribution rather than continuing the present arrangement.
- ° Status of Bill-House Ways and Means to report at the end of next week; floor date 2-3 December. On Senate agenda early next session (which begins 3 January 1986).
- ° Its impact would be dramatic. It is said to have "full steam support of the Administration."
- ° Hundreds and thousands of phone calls have resulted in working groups of local area Congressmen to call or delay the bill. Options include grandfather clause, phase in or single delay (like one year).
- ° Many Agencies/Departments say they could lose the top 20-25% of their organizations.
- ° Info provided by Minority Whips office.

/s/

Chuck Briggs

cc: ExDir
DDA
D/OP
Comptroller